

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

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OPA CUTS POINT VALUES OF SOUPS, FROZEN FOODS

Ration Director Rowe Explains Reasons For Reductions in Letter

Point values of all rationed soups—canned, bottled, dried and dehydrated—and of all frozen fruits and vegetables, were reduced sharply by the Office of Price Administration on April 22. At the same time, blackeyed peas were made "ration-point free."

Cannery, wholesalers and retailers were reminded by OPA that they are required to take an inventory of the items whose point values have been changed. This inventory should show the total point value of each item as of the close of business, April 21, and the total point value as of the start of business, April 22, when the new point values become effective. The resulting decrease in point inventory also should be shown. These inventory reports should not be sent to OPA but retained as a record, showing loss of points, by the canner, wholesaler and retailer involved.

Frozen Food Point Cuts

The point value of all canned and bottled soups was reduced from eight points a pound to six points—except for tomato soup which was cut in half to four points a pound. The basic point value is the same for both household and commercial container sizes.

Point values of frozen foods were cut more sharply in the commercial container sizes (2 to 10 pounds) than in the smaller domestic sizes, a move designed to restore a more normal flow of such products to hotels, restaurants, hospitals and other large users, according to OPA. The new and old point values for the 16-ounce net weight container of all kinds of frozen fruits are six and 13, respectively.

Applicable to domestic container sizes, the point values of frozen asparagus, green and waxed beans, lima beans, corn, peas and spinach are reduced from thirteen points a pound to six points a pound. All other frozen vegetables in the smaller sizes, including baked beans, undergo a point value mark-down from eight points a pound to four points a

pound. The new and old point values of popular domestic container sizes for typical frozen vegetables follow:

	Container	Point values
		Old New
Baked beans	16-oz.	8 4
Peas and all other frozen vegetables	12-oz.	10 4

In commercial sizes of two pounds up to and including 10-pound sizes, all frozen fruits, fruit juices and vegetables have a point value of four points a pound. In domestic container sizes (below 2-pound), the basic point value of frozen fruit juices is four points a pound, and of frozen fruits and vegetables, six points a pound.

The point value of dried and dehydrated soups is cut in half and the number of weight classifications reduced from eight to four.

(Concluded on page 7628)

WMC ISSUES NEW REGULATION GOVERNING TRANSFERS TO OTHER JOBS AND THE HIRING OF NEW EMPLOYEES

Employee May Not Take New Position For Higher Pay Unless Change Enhances War Effort

War Manpower Commissioner Paul V. McNutt, with the approval of Economic Stabilization Director James F. Byrnes, has issued regulations governing the hiring of new employees and restricting an employee's right to transfer to a new position for higher wages. The provisions (known as Regulation No. 4) became effective on April 18.

Mr. McNutt based his regulations on Section 3 of the President's "Hold-the-Line" order of April 8. (See INFORMATION LETTER No. 929 for April 10, 1943.) That section provides:

"The Chairman of the War Manpower Commission is authorized to forbid the employment by any employer of any new employee or the acceptance of employment by a new employee except as authorized in accordance with regulations which may be issued by the Chairman of the War Manpower Commission, with the approval of the Economic Stabilization Director, for the purpose of preventing such employment at a wage or salary higher than that received by such new employee in his last employment unless the change of employment would aid in the effective prosecution of the war."

Conference on Labeling

At the request of Price Administrator Prentiss M. Brown, a committee of five canners met with him on April 23 to discuss suspension of the grade labeling requirement of Maximum Price Regulation No. 306.

The committee consisted of C. E. Lindsey, G. Sherwin Haxton, Harold K. Bachelder, Harry L. Cannon, and Carl N. Lovegren. As the discussion could not be completed at the first session, the conference was carried over to April 24.

As soon as definite action is taken upon the labeling question, the Association will promptly advise the industry.

In general, the regulations (which are set forth in full below) are intended to prevent an employee's acceptance of a new position at higher pay, unless the transfer will be in the interests of the war program. Except in areas operating under employment stabilization programs, the regulations do not govern the hiring of a new employee if he is not paid a higher wage or salary rate than he formerly received.

The regulations carefully distinguish between "essential" and "non-essential" activities. An activity appearing on the WMC List of Essential Activities (see INFORMATION LETTER No. 921 for February 13, 1943) is regarded as essential. In addition, the regional manpower directors have the authority to approve additional activities as locally essential. (Section 904.7) "Food processing" already appears on the official list, and, without regard to action taken locally, canners may therefore regard their operations as essential.

The regulations encourage the transfer of employees from non-essential to essential activities. They also establish definite rules governing the transfer of an employee from one essential activity to another at a higher wage or salary. Two sets of rules are provided,

the first governing employment practices in areas operating under WMC employment stabilization programs, and the second governing those practices in areas in which no employment stabilization program is yet in operation.

Beginning in 1942, when WMC issued a general statement of its policy, cooperative plans for the effective recruitment and utilization of workers and for the elimination of unfair hiring practices have been adopted in approximately 67 areas, which are listed below. These employment programs, developed and administered locally, conform, in general, to the published policies of the Commission. Their provisions, however, vary in each locality. Since, in so far as they are not in conflict with the new regulations, they will continue to apply, a cannery in a listed area should consult the specific provisions of the employment stabilization program adopted in his locality.

Where No Employment Stabilization Program is in Operation

In areas in which economic stabilization programs are not in operation, cannerys may, in general, continue their present practices in hiring new employees not engaged in essential activities. A cannery may pay the cannery rate for the position to a new employee "who for the preceding 30 days was not engaged in an essential activity," even though that rate results in increased compensation for the new employee. (Section 904.1)

Transfers of employees between essential occupations, however, are, at present, strictly regulated. No employer in an essential activity may hire away an employee engaged during the prior 30-day period in another essential activity "if the salary or wage rate to be paid . . . would exceed the rate most recently received during such period by the employee." (Section 904.3) A transfer at the same, or a lower, rate is, however, not prohibited.

In areas in which employment stabilization programs are not in operation, a cannery losing employees because of the inducement of higher wages, can refer the matter to the Area or Regional Office of WMC. In hiring his own employees, he may wish to take certain precautions. Complete reliance should not be placed upon the employee's unconfirmed statement that he was formerly engaged in a non-essential activity, or that he formerly received as great a rate of pay. It would be advisable, instead, to check those matters thoroughly with the former employer to obtain confirmation of the employee's representations.

Where An Employment Stabilization Program is in Operation

In areas operating under employment stabilization programs, the employment of new workers is governed by the provisions of the local plan. That must be consulted to determine whether employment may be offered at all, or to determine at what rate of pay it may be offered. When authorized under the local program, by reason of the fact that the transfer will assist the prosecution of the war, even employees who are working in essential industries may be hired away on promise of greater compensation.

The new regulations provide a method whereby an employer can assure himself of his right to hire a new employee. They require that in certain instances a prior employer must furnish an employee with a "Statement of Availability," and they specify, with particularity, what can, and cannot, be included in that statement. (Section 904.4(b).) A "Statement of Availability" should be issued whenever an employee:

- (1) is discharged by his last employer,
- (2) is laid off for an indefinite period or for a period of 7 or more days, or
- (3) can establish that his present employment does not utilize him at his highest skill or that he is not being employed at full time."

If an employer, for any reason, is unwilling to issue the certificate, the employee can apply to the local Office of United States Employment Service, which also is authorized to issue it. In no event, however, can an employer issue, or can an employee obtain, a "Statement of Availability" solely on the ground that the employee's "wage or salary is substantially less than that prevailing in the locality for the same or substantially similar work."

In areas operating under employment stabilization programs, cannerys should not hire new employees without obtaining a "Statement of Availability." Under Section 904.1, it is possible that such a statement is not required for an employee formerly engaged in a non-essential activity. As a safeguard, however, it seems advisable in all instances to check the matter with the office administering the local employment stabilization program.

Possible Penalties for Violation of the Regulations

Penalties can be imposed not only upon an employer who gives employment in violation of the regulations, but

also upon an employee who accepts it. Because of the relation between the regulations and the Wage and Salary Stabilization Program, the employer and the employee are declared to be subject to the penalties provided by the Second Price Control Act. Under the penal provisions of that Act, willful violators can be subjected to the possibility of a \$1,000 fine, a year's imprisonment, or both.

In addition, if an employer violates the regulations by engaging a new employee at a higher rate of pay, the entire amount paid to that employee must be disregarded by the employer in calculating deductions under Federal tax laws, or in determining costs or expenses, whether under price regulations or government contracts. (Section 904.6)

Areas Where Plans of Employment Stabilization Are Drafted

Region I—Massachusetts: New Bedford-Fall River, Pittsfield, Springfield*; New Hampshire: Portsmouth*; Connecticut: Waterbury.

Region II—New York: Buffalo, Syracuse, Rochester, Utica, Albany.

Region III—Covered by region-wide stabilization policy. Non-piracy agreement in effect in Northern New Jersey area (Newark plan).

Region IV—Maryland: Baltimore, Cumberland, Hagerstown; Virginia: Hampton Roads.

Region V—Kentucky: Louisville; Michigan: Battle Creek, Bay City-Saginaw-Midland Co., Detroit, Grand Rapids, Muskegon, Monroe County, Pontiac, Port Huron; Ohio: Akron, Canton, Dayton, Cleveland, Lima, Toledo, Hamilton-Warren Co., Lorain Co., Marion Co., Mercer Co., Portage Co., Sandusky, Sidney-Piqua-Troy, Springfield, Warren-Niles, Youngstown.

Region VI—Indiana: Evansville, Indianapolis, South Bend-LaPorte-Michigan City; Illinois: Springfield-Decatur, Rockford; Wisconsin: Milwaukee, Beloit.

Region VII—Alabama: Mobile-Gulf Coast; Georgia: Savannah-Brunswick; Florida: Tampa.

Region VIII—Iowa: Des Moines; Minnesota: Twin Cities; Nebraska: Omaha.

Region IX—Kansas: Wichita; Missouri: St. Louis, Kansas City; Oklahoma: Oklahoma City.

Region X—Texas: Beaumont.

Region XI—Colorado: State of Colorado*; Wyoming: Cheyenne Area; Utah: Industrial Area I.

Region XII—California: Los Angeles*, San Diego*; Oregon: Portland*; Nevada: State of Nevada*; Arizona: State of Arizona*; Washington: State of Washington.

* Copies of plan not yet available.

Text of the Regulation

Text of Regulation No. 4 follows:

904.1. Workers Previously Engaged in Other Than Essential Activities for Work in Essential Activities. Any employer engaged in an essential activity may hire for work in such activity any new employee who for the preceding 30 days was not engaged in an essential activity.

904.2. Workers Previously Engaged in Essential Activities for Work in Other Than Essential Activities. No employer shall hire for work in an activity other than an essential activity any new employee who, during the preceding 30-day period, was engaged in an essential activity if the wage or salary rate to be paid by the employer would exceed the rate most recently earned by such employee.

904.3. Workers Previously Engaged in Essential Activities for Work in Other Essential Activities. No employer shall hire (except as provided for in Section 904.4 of this regulation) for work in an essential activity any new employee who, during the preceding 30-day period, was engaged in an essential activity if the salary or wage rate to be paid by the employer would exceed the rate most recently received during such period by the employee.

904.4. Workers Previously Engaged in Essential Activities for Work in Other Essential Activities in Areas or Industries Subject to War Manpower Commission Employment Stabilization Programs. (a) Any employer engaged in an essential activity may hire for work in such activity any new employee who, during the preceding 30-day period, was engaged in an essential activity, without regard to his preceding wage rate or salary scale, providing such hiring is subject to, and permitted under an employment stabilization program approved by the War Manpower Commission.

(b) A statement of availability shall be issued to any worker by his last employer or by the War Manpower Commission as may be provided in such employment stabilization programs and whenever the worker:

(1) is discharged by his last employer,

(2) is laid off for an indefinite period or for a period of 7 or more days, or

(3) can establish that his present employment does not utilize him at his highest skill or that he is not being employed at full time.

No statement of availability shall be issued solely on the ground that an individual's wage or salary rate is substantially less than that prevailing in the locality for the same or substantially similar work.

Any such statement shall contain the worker's name, his social security ac-

count number, if any, the name and address of the issuing employer or War Manpower Commission officer and office, the date of issuance, and a statement to the effect that the worker may be hired elsewhere in an essential activity. The inclusion by an employer on such notice of any information other than that required by this regulation shall be deemed to be a violation of this regulation.

904.5. Acceptance of Employment by Workers. No individual shall accept new employment with an employer if the employer is prohibited from hiring him under this regulation.

904.6. Penalties. The hiring by an employer of a new employee, or the acceptance by an individual of new employment, in violation of this regulation is subject to the penal provisions of the Act of October 2, 1942 (Pub. No. 729, 77th Cong.). The Provisions of Sec. 4001.10 of the Regulations of the Economic Stabilization Director, issued October 27, 1942, apply to any wages or salaries paid in violation of this regulation.

904.7. Definitions. (a) Essential activity means any activity in the War Manpower Commission List of Essential Activities (see Appendix A) and any activity approved by a Regional Manpower Director as a locally needed activity.

(b) New employee means any individual who has not been in the employ of the hiring employer at any time during the preceding 30-day period.

(c) New employment means employment with an employer by whom the individual has not been employed at any time during the 30-day period preceding such employment.

904.8. Employee-Employer Agreements. Nothing in this regulation shall be construed to prejudice existing rights of an employee under any agreement with his employer.

904.9. Effective Date. This regulation shall become effective at 12:01 a. m., Sunday, April 18, 1943.

To Purchase Dry Edible Beans

The War Food Administration has announced that the Commodity Credit Corporation will purchase No. 2 dry edible beans as well as No. 1 grade from the 1943 crop, the price for No. 2 grade to be 15 cents below the prices announced April 8 which applied to No. 1 grade. Beans of No. 3 grade will be purchased at a discount of 40 cents from the price of No. 1 beans, if the supply of No. 3 grade is so large (because of weather conditions in 1943) as to make such purchase necessary to assure the maximum quantity of beans reaching consumption channels. The discounts for No. 2 and No. 3 beans apply also to the CCC loan program for dry edible beans.

Furloughs For Soldiers

The War Department, under certain circumstances, will authorize the temporary release of soldiers who formerly held key jobs in industry, including the seasonal processing of perishable fruits, vegetables and fish, in order to permit the employer time to train replacements.

To assist canners in making application for the temporary release of such soldiers, the Manpower Division of the Association is sending a bulletin to all canners in which is given information on critical occupations in the processing industries, conditions governing the release of soldiers, steps to be taken by canners, and advice on the preparation of applications. The Association's bulletin is accompanied by a copy of the War Department's Labor Branch Bulletin of April 16.

Any canner who may not receive the Association's bulletin within the next few days, should promptly advise the NCA Manpower Division.

Hearing on Use of Minors

A hearing by the Children's Bureau of the U. S. Department of Labor, on a petition received from operators of fruit and vegetable packing sheds in the State of Missouri requesting authority to employ minors between 14 and 16 years of age after 7 p. m., will be held May 3, 1943, at St. Louis. Testimony will be taken on the following questions:

(1) During what periods, if any, and under what conditions is the employment of minors between the ages of 14 and 16 years in the fruit and vegetable packing industry necessary for the war effort, and (2) if such employment of minors between the ages of 14 and 16 years is found to be necessary for the war effort, what safeguards should be established to protect their schooling and their health and well-being?

Ehrlich in New OPA Post

Melville Ehrlich, formerly a member of the legal staff of the Office of Price Administration, has been appointed chief of a new Fruit and Vegetable Section, Grocery Products Branch, of the Food Price Division of OPA.

The new section combines the old sections on processed fruits and vegetables and fresh and dried fruits and vegetables. Dan F. Gerber, who recently resigned, was acting chief of the former processed fruit and vegetable section.

Soup Mix Packers Organize

Packers of dehydrated soups have formed a new association known as the Soup Mix Manufacturers. L. J. Gumpert was elected chairman; Robert Smallwood, vice chairman; and Robert Brenner, secretary-treasurer. An executive committee and committees on rationing and raw materials were appointed.

REPORTS OF INTENDED ACREAGE ARE RELEASED

USDA Issues Early-April Estimates On Tomatoes, Beets, Kraut, Pimientos, Pickles

The Department of Agriculture, on April 22, issued reports of intended 1943 acreage with comparisons to last year, for tomatoes, beets and pimientos for processing, cabbage for kraut, and cucumbers for pickles. These reports are based on intentions reported to the Department by packers early in April.

Summaries of the acreages which will result if these early April intentions to contract and plant are carried out in 1943, are presented below. USDA pointed out in its reports that since the plans reported may be modified before plantings are actually made they are not to be considered as estimates of the planted acreage for the season, but considered rather as a guide in making necessary adjustments in acreage plans before the planting operations actually begin.

Tomatoes

Reports from canners and manufacturers of tomato products indicate an intended increase above the 1942 planted acreage of about 2 per cent in the plantings for 1943. Should these plans of early April be carried out in the various States, the acreage planted in 1943 to tomatoes for canning and the manufacture of tomato products will total 637,800 acres in 1943, compared with 622,950 acres planted in 1942 and the average of 414,700 acres for the preceding 10-year (1932-41) period.

If average loss is assumed for 1943, a planting of 637,800 acres would result in about 600,000 acres for harvest.

The 10-year (1932-41) average yield of tomatoes for processing is 464 tons per acre. The harvest of 600,000 acres in 1943, with yields in line with a 10-year period of 4.64 tons, would give a production of about 2,784,000 tons for canning and the manufacture of tomato products. If yields in line with the more recent 5-year (1937-41) period or 5.19 tons are obtained, a total of 3,114,000 tons would be produced from this acreage. In 1942 the yield averaged

5.29 tons for the United States and the production last season totalled 3,157,900 tons.

States	1942	1943
	planted	intended
	Acre	Acre
New York.....	22,900	22,900
New Jersey.....	40,500	39,600
Pennsylvania.....	28,800	30,000
Ohio.....	34,000	33,000
Indiana.....	105,000	108,300
Illinois.....	10,500	11,300
Michigan.....	9,000	9,500
Iowa.....	5,400	7,000
Missouri.....	24,200	26,100
Delaware.....	11,100	11,900
Maryland.....	67,000	71,000
Virginia.....	34,000	36,700
Kentucky.....	8,600	9,300
Tennessee.....	12,700	12,200
Arkansas.....	31,200	32,800
Colorado.....	4,400	4,800
Utah.....	9,100	8,700
California.....	134,680	110,000
Other States.....	39,870	52,800
Total.....	622,950	637,800

Beets

Plantings of beets for processing will total 19,000 acres, according to reports received by USDA from canners giving information on the acreage they have in mind for 1943. This is an increase of about 6 per cent above the 1942 plantings of 17,980 acres and exceeds the average planted acreage for the preceding 10-year (1932-41) period of 10,180 acres by 87 per cent. If the loss in acreage in 1943 is about average, a planting of 19,000 acres would result in about 18,000 acres for harvest.

States	1942	1943
	planted	intended
	Acre	Acre
New York.....	5,400	5,700
New Jersey.....	600	600
Indiana.....	400	500
Michigan.....	1,200	1,100
Wisconsin.....	5,000	5,000
Oregon.....	1,730	2,400
Other States.....	3,650	3,100
Total.....	17,980	19,000

Cucumbers for Pickles

Plantings of cucumbers for pickles in prospect for 1943 are about 13 per cent below the 1942 plantings, but exceed by 22 per cent the average acreage planted in the preceding 10-year period. Should plans of pickle packers be carried out in line with early April intentions, plantings of pickling cucumbers will total 100,420 acres, compared with 126,180 acres planted in 1942, and the 10-year (1932-41) average of 89,670 acres.

During the past 10-years, the loss of planted acreage has averaged 10 per cent. A similar loss from the 1943 prospective plantings of 100,420 acres would leave about 98,500 acres for harvest.

Cabbage for Kraut

Kraut packers intend to contract and plant for the 1943 season an increase of about 73 per cent above the total of their contracts and own plantings in 1942. If the indicated plans of the packers materialize, a total of 8,620 acres will be contracted and planted by packers for kraut in 1943, compared with 4,980 acres so controlled in 1942.

Most of the kraut packers also purchase on the open market a large part of their tonnage requirements. No information is available at this time regarding the probable tonnage that packers will purchase in 1943 from acreage not under contract. This open market acreage makes up an appreciable part of the total from which cabbage for kraut is harvested each year. During recent years this acreage has comprised from 58 per cent to 68 per cent of the total kraut acreage.

Pimientos

The 1943 plantings of pimientos for processing in Georgia and California will total 13,100 acres, if the packers in these two States carry out plans reported early in April. This acreage exceeds the estimated 1942 planted acreage of 11,520 acres by nearly 14 per cent but is 8 per cent below the preceding 10-year (1932-41) average of 14,200 acres.

Intended acreage in California for 1943 is 500, as compared with 520 acres planted in 1942. In Georgia the 1943 intended acreage is 12,600, as compared with 11,000 planted in 1942.

Dried Fruits Ration-Free

Amendment 16 to Ration Order 13 removes dried fruits from the order, as of April 27. It likewise relieves processors of dried fruits from the provisions of the order. The amendment, however, requires persons packaging dried or dehydrated fruits to make monthly reports on Form 1305.

Pineapple Association Officers

Following are the 1943 officers of the Pineapple Producers Cooperative Association, Limited: President, Elvin Musick, San Francisco, Calif.; 1st vice-president, Henry A. White, Hawaiian Pineapple Co., Honolulu, Hawaii; 2nd vice-president, W. A. Gellersen, Libby, McNeill & Libby, San Francisco, Calif.; 3rd vice-president, H. A. Walker, American Factors, Ltd., Honolulu, Hawaii; secretary, C. L. Queen, San Francisco, Calif.; treasurer, H. D. Spellman, Libby, McNeill & Libby, Honolulu, Hawaii.

ORANGE, LEMON STANDARDS**Set-aside Products for California and Arizona Processors Covered**

Minimum standards for oranges and lemons set aside for processing by California and Arizona handlers are prescribed in Food Distribution Order No. 6.2, which became effective April 22.

The new order affects handlers in these two States who are required under a previous order (FDO 6.1, published in the February 27 INFORMATION LETTER, on page 7521) to hold for sale to processors a quantity of oranges equal to 20 per cent of their weekly shipments. The order does not require handlers to set aside lemons.

In general, the minimum standards prescribe that oranges used for processing must be mature, free from dryness, decay and other defects which might make the juice unsatisfactory for canning.

Minimum standards for lemons prescribe 75 per cent full color and freedom from serious bud mite damage, in addition to standards established by the California Agricultural Code.

Packaging of Rotenone

The size of package in which rotenone insecticides may be packed by processors may be established at any time by the War Production Board, according to an amendment of M-133 covering the conservation of rotenone.

Another section in this amendment permits dealers to dispose of packages of insecticides now on their shelves of 1 pound or less, where in solid form, (such as flea powders) or of 1 pint or less where a liquid, containing small quantities of rotenone, without obtaining from purchasers a certificate stating that the product was to be used for one of the uses permitted under M-133.

USDA Given Beverage Control

The War Production Board announced, on April 21, the transfer of the Beverages and Tobacco Division to the War Food Administration, in the Department of Agriculture.

The transfer, officials stated, will in no way impair the operations of the Division as it will include all personnel, budget, and functions. John B. Smiley is Director of this Division, which regulates the affairs of the tobacco and beverages industries according to war necessities.

Although this transfer became effective as of April 18, 1943, the Beverages and Tobacco Division, under an agree-

ment between Donald M. Nelson, Chairman of the War Production Board, and Chester C. Davis, Administrator of the War Food Administration, will function generally within the War Production Board until such time as the War Food Administration can assume full control.

Fresh Tuna Ceiling Established

Launching a price control program on fresh fish for the first time, Price Administrator Prentiss M. Brown has placed ceilings on four species of tuna and two tuna-like species when sold by fishermen.

The action was confined to producer maximums on albacore, yellowfin, bluefin, skipjack, yellowtail, and bonito.

Effective April 19, the new dollars-and-cents maximums for fresh tuna approximate present average levels with one exception—on albacore—where prices had advanced unduly. Here OPA has cut back prices some 18 per cent from current levels to a ceiling of \$325 per ton. Within the near future, OPA also will reduce the maximums for canned albacore in line with the reduction in fresh albacore prices thus aiding the consumer and the Government—which is buying some 60 per cent of the pack, it was stated.

Can Makers Granted Relief From Tinplate Stock Curbs

Can manufacturers in Washington, Oregon, California and Utah have been granted relief from inventory restrictions on tin plate imposed by Controlled Materials Plan Regulation 2, the Controlled Materials Plan Division of the War Production Board has announced.

This relief is granted by Inventory Direction 5 under CMP Regulation 2.

Because of the distance of these manufacturers from tin plate suppliers, the shipping time involved is considerable, and it would be impossible for can makers to secure additional materials in time to meet demand should their supplies be depleted by unexpected orders.

To relieve this situation, WPB has relaxed the inventory restrictions of CMP Regulation No. 2, to permit manufacturers to carry a 90-day inventory of tin plate for the making of cans. This permission is applicable only during the packing season. It goes into effect today, and expires September 30.

After September 30, the normal inventory limitation to a 60-day supply will again apply to stocks of tin plate for the manufacture of cans in the areas affected.

USDA GRANTS PRIORITY TO CANNING CROPS ACREAGE**Local War Boards Are Urged to Obtain Acreage for Canning Before Seeking Other Crops**

In a memorandum to USDA War Board members and information workers, sent out this past week by the Department of Agriculture, the local boards were advised "before obtaining acreage for other crops, the acreage for canning crops in the immediate area around processing plants should be obtained. Efforts to reach goals of other crops can be made after we have sufficient acreage of canning crops to assure maximum operations of local canneries."

Memorandum to War Boards

The memorandum stated that latest information from tomato plant growing centers indicates that this year's production will be in line with all-out goal objectives. Continuing, the memorandum stated:

"This information should be welcome news to growers of tomatoes for processing and is a source of encouragement for full acreage plantings in line with the over-all capacity of local plants. It is also good news for the armed services and civilians of the United Nations, since tomatoes are generally recognized as the No. 1 processed vegetable food."

"Canners have been asked to process as much of the tomato crop as possible, and growers are urged to cooperate to the full with State War Boards and certified canners in realizing this objective. Certified canners are canners who have indicated their willingness to pay growers at least the minimum prices established by the War Boards."

"While tomatoes are probably the most important single item in the list of processing crops embraced in the USDA processing program, the prominent position of the other crops in the nation's total food supply should not be overlooked. Before obtaining acreage for other crops, the acreage for canning crops in the immediate area around processing plants should be obtained. Efforts to reach goals of other crops can be made after we have sufficient acreage of canning crops to assure maximum operations of local canneries."

"Because of the imperishable nature of canned peas, sweet corn, beans, etc., growers will be rendering a patriotic service to their country if they take immediate steps, in consultation with their County War Boards and local processors to assure maximum production. Support prices provided in the USDA certification program will make it possible for most farmers to do this."

Address By Senator George at N.C.A. Meeting

One of the highlights of the recent mid-year meeting of the Board of Directors of the National Canners Association was the address at the luncheon on April 9 by the Honorable Walter F. George, Senator from Georgia, text of which is given below.

I am very glad to be here and to have the opportunity of speaking to so many of you in a group. Through the years legislative matters have come up in one way or another affecting your industry, and I have had the pleasure of knowing a great many members of your industry.

I am sure you would expect me to say something to you about taxes, of which it has been said that there were two things that were bad within themselves—one being death and the other taxes, but that death did not grow worse from year to year.

I think I know something of your problems from the standpoint of taxation. At least I have accepted the statements that have been given me by the industry from year to year. I know something about the peaks and the valleys, and the problems that are both peculiar to and particularly applicable to your industry.

I remember that last year we were struggling with a problem that very much concerns you, and that is the problem of inventory depreciation and inventory reserves. Of course, others were interested in it; other lines of business, very nearly all producers were interested. It turned out, as you gentlemen know, that the Senate Committee finally adopted, in lieu of inventory reserves, what we call the loss carryback and loss carry-forward provision of the present Revenue Act. My own opinion is that the loss carryback and loss carry-forward provision in the 1942 Revenue Act will, in the long run, be of very great help to the canning industry and to most other industries. It probably doesn't fit your case precisely and exactly as well as an inventory reserve would. Such reserve at least has not the element of uncertainty which is, after all, one of the chief drawbacks in any business operation.

You know, after all, good government is stable government, and whenever you inject into government an element of instability and uncertainty, you are, of course, weakening the entire fabric. Nothing worse can befall this country than to drift into a state of uncertainty with respect to our business problems; also social and political problems. Stability and certainty are at least indispensable qualities in good government, and stability and certainty in taxation are, of course, indispensable qualities in any good tax system. Inventory reserve would probably fit your case, and I think it would serve you

better; and I believe in the long run it would fit the Treasury better. I have not been able to see how the Treasury can forecast the drawback that will be taken by the taxpayers after this war period, in the post-war period, under the loss carry-forward and loss-carry-back provision of our tax laws. Therefore, the Treasury itself faces an element of uncertainty.

The Administrator of the Office of Price Administration, the Honorable Prentiss Brown, who is not able to be here, and his able assistant, Honorable Clyde Herring, were both members of the Finance Committee last year, and both were very useful and serviceable members. You have with you Senator Herring and I am sure that he well remembers, because he was very keenly interested in the problems of the canner in the building up of a tax act last year, how we attempted to meet your problems. Gentlemen, I shall not undertake to talk to you about taxes further than to say a few things that do not relate directly to rates or other specific provisions of the revenue law.

First is this: Coming back to the question of uncertainty, I regard it as particularly unfortunate that we have not been able to present to the country the revenue act of 1943, and I think it could have been presented to the President and signed so that the country would have known its terms even during the month of January, 1943. We now have the question of how to switch over from our present system of paying out of the income of the current year the taxes of a past year, and it has been presented to us in an acute form because of the very high rates of our present taxes and of the almost universal application of our personal income taxes. As you know, some 43 to 45 millions of Americans are now subject to some personal tax as against a comparative handful a very few years ago. You do not know what the rates are; I do not know what the rates may be, but if they are made retroactive to January 1 last, and probably will be, you, of course, sense the effect on your business of the uncertainty involved.

I am not inclined to think that corporate rates could go very much higher: possibly the normal or surtax-normal rate, to use one term as descriptive of both types of tax, might go up 5 tax points, but beyond that I do not think the rates can safely advance. The excess profits tax, of course, cannot go much higher because it already is 90 per cent, or 80 per cent plus the 10 per cent tax credit.

But I think it highly important that we settle once and for all, and very quickly, what we will do with the past year's tax liability and what we will do with withholding at the source. I am conscious of the fact that we have

lost already a vast sum of money that ought to have gone into the Treasury in the form of revenue out of 1942 earnings, because we had no tax collectible at the source or payable at the source. But for the Finance Committee we would have no collection at the source today, and we now have only the 5 per cent victory tax which, after all, to the married man without children, is only a 3 per cent net tax on his current income. So we certainly should have a withholding tax, a sizable withholding tax, as early as possible, collectible at the source.

You can't make collection at the source applicable to all types of income. It isn't necessary to make it applicable to all types of income, from the standpoint of the Government, but it is necessary to make it applicable to wages and to salaries, and to income of all kind that can be reached at the source.

It is necessary and sound for another reason, and for a very important reason, and that is that you gentlemen would escape many of the problems of rationing and might escape many of the problems involved in price ceilings, if we had a proper taxing system at this time. With due respect for my good friend Prentiss Brown, and his able and conscientious assistant, Clyde Herring, without regard to what they do and other agencies of government may do, it will be impossible for the mere pinching of ceilings on wages and prices, and the rationing of goods and commodities or even services, to prevent inflation, because it cannot be stopped that way. We are thus dealing with the symptom after the disease has developed. It can usually be checked by proper measures of taxation. I do not mean taxes for revenue purposes—a tax might be imposed for saving purposes, or loan purposes, as well.

Don't get the impression, gentlemen, that I think you can stand higher taxes or higher tolls by way of taxation for revenue, or taxes for loan, as a permanent policy, and on that I wish to speak for a moment.

This is a war, and this is a desperate war, and so far as we are concerned it is the most desperate war in our history; never before in history has a single nation been called upon to provide the food and the money, the arms and the implements of war in the same proportion for a war upon a worldwide scale as the United States is now undertaking to provide. So, during the war period we can make a great sacrifice, and after all, I do not know that that matters so much. I am only concerned as a citizen—and I believe that you are as business men primarily concerned with the philosophy back of what we are doing—with the design running through the pattern of our activities. That, I think, is tremendously important, and looking beyond the war and beyond the war period, I am entirely certain that taxes cannot remain as high as they are now; they will be compelled to drop even from the

present level of taxes by at least 5 to 10 tax points within the first five-year period, and must register another drop of 5 points within the second five-year period, if the United States is to hold its position as a competitive producer and distributor in world trade and world commerce.

I know that you gentlemen understand that you can't remain in the production and distribution of commodities, goods, and services in international trade if you have to bear the burdens of your present taxes. Present taxes are raising very much more money than many of the experts in Washington foresaw. The present tax will produce in a full year of operation not much under 35 billion dollars. When you add to that another 10 billions to 11 billions for your local and State taxes, you can easily see that business cannot, in a normal period, live under that burden and yet meet competitive conditions in the world.

But I am interested in the post-war period. What are we going to do when the men come back? What are we going to do with the vast plants into which the Government has poured the money of the people? What are we going to do with a vast army of laborers who are now in the war-producing plants when this war is over? How are we going to meet your post-war problems? We are going to do it, gentlemen, either through government or through private enterprise. Don't for a moment think that it can be done otherwise. I know very well that government has its function—the local government, State government, Federal government. The burden on government will be increased, rather than decreased, after this war is over. But the job of getting back to peace, and putting the men back to work and maintaining order—the whole business superstructure—will rest either upon government or upon private enterprise. I have no sort of idea that the Government can become a partner with the individual business man without ultimately absorbing that individual business man, hide, hair, and tail. I have no sort of idea that the enterprise system—the American system—can survive half government-owned and half privately-owned.

Now then, how can business—and I am speaking of everyone, the farmer, the worker who saves a single dollar out of his pay envelope, the thousands of men who produce or process—how can American business put men back to work when the war ends? It cannot be done unless business is permitted to set up more reserves than it is possible to set up under present taxes if continued after the war. It cannot do it unless there is some source to which you can repair—not merely for plant replacements but for plant enlargement, for plant expansion, for the development of new industry. And unless the American people recognize this fact, that is, that a larger reserve must be set up than is permitted under present

taxes, you cannot do this job, the job will go undone by private enterprise.

The day of the small capitalist in the community is gone, gentlemen; the citizen who, through a lifetime, has accumulated a considerable sum of money—relatively speaking—and who is willing to finance a cannery or a new enterprise. You can't find that man now, he does not exist, and he will not exist again at an early date. The only hope of the enterprise system carrying through the post-war period and carrying us back to a world of free economy is to devise a tax system that will permit reasonable reserves to be accumulated by the taxpayer against the time not only of bad business but against the time of opportunity for new business enterprise, for new business venture.

It is fortunate today that we have even 10 per cent of the excess profits tax held by the Treasury for the after-war period as a reserve. All other reserves are simply replacement reserves. Inventory reserves are simply reserves against losses which you must absorb, and if you do not have losses, you will, of course, be called upon to account for a tax upon the amount carried as a reserve. Under the present rate of tax, it is impossible for the average American business to set aside reserves adequate to do the job of making the jobs for 10 million young men and middle-aged men who will come back from the war. We must not forget that many women are now in those jobs and that they are not going to be very eager to relinquish them.

Again, reconverting to peace production will be more difficult than the conversion to war production. Government will not be behind you perhaps in the same way to urge you back into peace production.

If we study the history of industry development in this country, we will see that American enterprise has been built more than 50 per cent in many sections—even 75 per cent—not out of stock issues, public or private, but out of the reserves of the business itself. Industry in America has found the capital with which to do the job, out of earnings. It can not do the job in the post-war period unless larger reserves are made possible by a sound revision of our tax laws.

I have every faith that you can do the job; I don't think that anybody needs to look any further than the magnificent job of production and distribution now being done by the free enterprise system. I undertake to say that if the whole job had been undertaken by government, and government alone, production in food, in clothing, and in arms, in ships and guns would today not be 50 per cent of what that production is under the free enterprise system.

I want you to have the chance to make good because this is a young country. Horizons have not disappeared; there is opportunity for in-

vestment and for expansion; there is opportunity for our system to go on efficiently functioning for many, many years, perhaps centuries. I hope very much that we will be wise enough and courageous enough to set up a taxing system before the war actually ends under which it will be possible for business to know, with certainty, how far it can go, what it can do in the post-war period.

I do not mean that your tax burden should be lighter now, either on the individual or the corporation. I think it would be better if taxes were placed as high as we could now carry them provided part of the earnings were carried into the Treasury and there held as a certain reserve against the day when the war actually ends. And that, I think, would help Clyde Herring and Prentiss Brown and "Jimmy" Byrnes, the War Labor Board, and everyone who is concerned with this problem of inflation—perhaps more than anything that can be done, by the treatment of the symptoms of inflation itself, for inflation is here.

Foods in Cold Storage

The Food Distribution Administration has reported that total stocks of frozen fruits in cold storage warehouses on April 1, 1943, amounted to 123,421,000 pounds, or 3,439,000 pounds above those of a year earlier.

Frozen vegetable holdings totaled 67,424,000 pounds, which is 5,643,000 pounds above the total of the same date a year ago.

The following table, compiled by FDA, presents detailed figures and comparisons by commodities on the holdings of both frozen fruits and vegetables:

	Apr. 1, 1942	Mar. 1, 1943	Apr. 1, 1943
FROZEN FRUITS	1,000-lbs.	1,000-lbs.	1,000-lbs.
Blackberries.....	3,587	5,314	4,065
Blueberries.....	4,392	6,616	6,134
Cherries.....	23,461	20,738	16,060
Logan and similar berries.....	2,927	3,310	2,849
Raspberries.....	10,926	12,562	11,278
Strawberries.....	34,468	25,567	20,238
Other fruits.....	22,324	48,196	43,062
Classification not reported.....	17,897	22,069	19,077
Total.....	119,982	145,272	123,421
 FROZEN VEGETABLES:			
Asparagus.....	4,136	4,163	3,987
Beans, lima.....	11,087	11,063	10,042
Beans, snap.....	3,499	3,666	3,013
Broccoli, green.....	1,070	1,166	1,325
Corn, sweet.....	4,580	4,278	3,800
Peas, green.....	19,351	21,792	19,738
Spinach.....	5,303	4,854	4,806
Other vegetables.....	6,540	9,301	9,848
Classification not reported.....	4,549	14,548	10,835
Total.....	61,781	74,821	67,424

INDUSTRY VICTORIOUS IN UNUSUAL CONSUMER CASE

Court Impeaches Claimants' Testimony As Incredible and Improbable

One of the strangest consumer claims the Association was ever called upon to contest has been terminated. The outcome was a victory for both the canner whose product was involved and the industry as a whole.

In a suit for \$50,000 brought against several defendants, including the canner, the wholesaler, the grocer, and the Association itself, a woman and her daughter claimed severe and continuing injuries allegedly due to glass in the canned product. It was contended that the glass was swallowed by both plaintiffs and later "worked out" of the plaintiffs' fingers, backs, gums, etc. The services of quite an array of physicians were called for in connection with this strange phenomenon, but not one of the several doctors would support the claimants in their fantastic allegations. In preparing to contest the claim, the Association arranged for medical examination of the plaintiffs, and the examining physician testified in the defendants' behalf at the trial. His testimony, as well as that of the plaintiffs' doctors, definitely established the utter impossibility of there having been any such occurrence as was claimed.

The trial was had before a judge, without a jury, and lasted three and one-half days. At the conclusion of the case the judge rendered a forceful opinion in which it was held that the entire claim smacked of fraud and no credence whatever was given the testimony of the plaintiffs. In this connection the Court said: "... the testimony (of the plaintiffs) is so inherently improbable and so opposed to scientific facts and truths, and, I might say, subject to so much impeachment as to statements made at different times and places, that the Court reluctantly, because the Court hates to take this position toward any witness, must find, and does find that none of the testimony of these witnesses is credible or entitled to belief whatsoever."

According to the opinion, the judge was favorably impressed with the testimony covering the care taken by the canner in the preparation and packing of the product, and the judge made a finding of fact that the can did not contain any foreign substance, as claimed.

While the claim was incredible on its face, the serious aspects of the case required that it be given special attention. The matter was completely in-

vestigated through the usual channels, and some important investigational work also was done by the canning company. The defense was thoroughly prepared by the Association's attorneys, who did an excellent job in presenting the defendants' case at the trial.

Wage-Hour Hearing Announced

Formal announcement has been made by the Wage-Hour Division that a public hearing is scheduled for May 10 in Washington, for the purpose of taking evidence on the proposal that wages at a rate of not less than 40 cents an hour shall be paid under Section 6 of the Fair Labor Standards Act.

This is the recommendation made by the Industry Committee of the Canned Fruits and Vegetables and Related Products Industry at their meeting in New York City March 17, which was published in the INFORMATION LETTER for March 27.

The public hearing will begin at 10 a. m. in Room 3229, U. S. Department of Labor Bldg., 14th St. and Constitution Ave., N. W., Washington, D. C. In the meantime, copies of the committee's report and recommendation may be obtained at branch offices of the Wage and Hour Division. Any interested party supporting or opposing the recommendation may appear to offer evidence, provided he has filed notice of his intent to appear with Administrator L. Metcalfe Walling, 105 West 46th St., N. Y. C., not later than May 1.

Food Processors Are Eligible To Qualify For Army-Navy "E"

Both the War and Navy Departments have authorized the Food Distribution Administration to nominate food processing plants for the Army-Navy Production Award—the symbolic "E" for Excellence. Quantity and quality of production in the light of available processing facilities are prime factors in selecting recipients for the "E" Award.

The FDA's regional offices, located in New York City, Chicago, Dallas, Des Moines, Atlanta, San Francisco and Denver, and FDA Commodity Branch Chiefs in Washington, D. C., will recommend food processing plants.

Proposals also are under consideration in Congress and in the War Food Administration at the present time for merit awards to counties which meet their agricultural production goals this year and to individual farmers and farm workers for production achievements.

"BEN" NOTT PASSES AWAY

W. R. Roach Company Executive Was Former President of Association

Funeral services were held in Grand Rapids on April 19 for Bennett C. Nott, 62, who died at his home there on April 17, after a brief illness. Mr. Nott was chairman of the board of W. R. Roach & Company and had served as president of the National Canners Association in 1928.

From the time of his majority Mr. Nott had devoted his services exclusively to the Roach Company, having held nearly every position in the corporation, including that of president and general manager for several years. But, despite this devotion to his firm, he never stinted general industry work, and in addition to the presidency of N.C.A. had served also as a member of the Board of Directors (1919-21, 1925-27), Administrative Council (1926-43), Secretary of the Pea Section (1921), and Secretary of the Pumpkin Section (1924). He was active also in the Michigan Canners Association.

Mr. Nott was born at Adams, N. Y., September 27, 1880, and attended local schools there and at Albion, and business universities at Buffalo and Syracuse. He was a veteran of the Spanish-American War, enlisting under age with his father's consent in the New York volunteers and serving in Cuba.

Upon honorable discharge from military service he was with a public utility in Buffalo for about three years, leaving that post to accept a position with the Roach Company at Hart, Michigan, in 1904. His first job, on arrival at Hart, was that of unloading coal.

"Ben", as he was known to associates and friends, devoted himself to mastering every detail of the canning industry. The character of the work was never too arduous, nor the day too long, to complete the task at hand. He was equally at home handling a detail of plant operation or closing a sale. Besides having filled every office of the corporation, he had served in every department of factory operations.

He was known also as a sportsman and was an outstanding horseman. He was a York Rite Mason, a member of the Shrine, belonged to the Grand Rapids Masonic Country Club and the Old Guard Society.

Minnesota's 1943 Officers

Officers elected for 1943 by the Minnesota Canners Association are the following: President, John F. McGovern, Le Sueur; vice president, Steve Lange, Owatonna; secretary, Robert L. Wilson, Minneapolis.

GMPR Exemptions Regrouped

Exemptions of commodity transactions from the General Maximum Price Regulation have been regrouped under a single Supplementary Order by the Office of Price Administration.

The new regulation, designated Revised Supplementary Regulation No. 1, which became effective April 22, is limited to commodity exceptions. It consolidates exceptions of this character, other than those which had become obsolete, but does not add any new ones. The change is consequently one of form only.

Electric Motors Order Changed

A number of changes are made in the provisions controlling production and delivery of electric motors and generators by General Limitation Order L-221 as amended April 22 by the War Production Board.

Among the changes made are the following:

Operating spares are excluded from the restrictions on idle equipment but such spares are limited to the amount specified in the order that any one person can hold and still be permitted to purchase new motors.

Reference is made to the services performed by the Used Equipment Section, Electric Equipment Branch of the General Industrial Equipment Division, in assisting purchasers to locate used motors or generators.

Restrictions on the types and designs of motors and generators that may be manufactured and delivered are changed in minor respects.

The certification submitted by the dealer is simplified and the standard form adopted is attached to the order in Appendix A.

Order Affects Liquid Pumps

Controls on the production and distribution of liquid pumps are modified by Limitation Order L-246 recently issued by the War Production Board.

The order provides that after May 22 no manufacturer or dealer shall accept any orders for pumps or parts other than on approved purchase orders, or deliver, after May 12, any pumps or parts for the fulfillment of other than approved purchase orders.

The rating of an approved purchase order is raised to AA-5. Formerly, approved purchase orders for liquid pumps bore ratings of A-1-c under the provisions of L-123 which, up to the issuance of this order, has covered these items.

The new order exempts purchase orders for repair parts (1) in an amount not exceeding \$500 for any single pump or 50 per cent of the original sales price of the pump to be repaired or (2) in any amount in cases where an actual breakdown has suspended or threatens to suspend operations.

Refrigeration Controls Changed

Restrictions on deliveries of refrigerating and air-conditioning machinery and equipment are modified by General Limitation Order L-38 as amended April 14, by the War Production Board.

The original order (March 27) permitted a manufacturer or dealer to deliver on any purchase order for a system of refrigerating and air-conditioning machinery and equipment or parts of such system which the War Production Board authorized on Forms PD-S30 or PD-S31. The amended order extends permission to deliver such systems or parts on purchase orders which were placed with and accepted by a dealer, producer or other person prior to April 6, 1943, providing such orders bear preference ratings of A-1-c or higher.

Truck Servicing Manual

Methods of keeping trucks or passenger cars in condition to give top service at bottom cost is put into eight pages of a simple, concise upkeep and service manual recently issued by the Office of Defense Transportation.

Prepared for ODT by the Society of Automotive Engineers as a Report on Preventive Maintenance and Inspection Procedure, the manual tells the plain facts of what should be done and when in order to give any vehicle care in keeping with its use. It brings together the upkeep and service facts and methods used by fleet owners and maintenance experts and boils them down into simple directions for the use of the average owner.

One of the series of more than 25 SAE maintenance methods studies, the manual as well as earlier SAE studies may be obtained without charge from the Office of Defense Transportation, Washington, D. C., or field offices of the ODT and the Office of War Information. It is being distributed by the ODT as an aid to owners who wish to give their vehicles the best of care through the war transportation crisis but who have been handicapped by lack of a maintenance plan exactly suited to their needs.

WANTED AND FOR SALE

Machinery—Equipment

This column is open only to members of the Association who want to buy or sell canning machinery and equipment. Names of firms listing the items below will be furnished upon application to the Association. In requesting names, please identify items by number.

WANTED

92-W—Ayars Universal filler, plunger type, for No. 2's and 2½'s.

93-W—Medium sized pea blancher with speed regulator and temperature control.

FOR SALE

206-S—Two 90 h.p. H.R.T. boilers (Northern California location).

207-S—One 250 h.p. watertube boiler (Northern California location).

208-S—Three Kyler boxers: two, 307 x 512; one, 211 x 414.

209-S—Burt standard labeler, 307 x 512.

210-S—Iron Age Farquhar 2-row transplanter with high-low bandway fertilizer attachment, tractor hitch and plant trays.

211-S—Robins' crane with 12-foot arm.

212-S—Two closed kettles, 42 x 72-incl.

213-S—Forty-six 3-tier crates, 41-inch diameter.

214-S—Bean cutter.

215-S—Huntley blancher.

216-S—Two huskers; one Peerless, one Invincible.

217-S—Two steam boxes and cars for sweet potatoes.

218-S—Rotary exhaust box.

219-S—Electric lift.

220-S—Flash pasteurizer, 8-tube, made by Cleveland Union; complete, unit on stand; suitable for tomato juice or similar product.

221-S—100-gallon solid stainless steel tank.

222-S—100-gallon glass-lined tank.

223-S—Paxton box nailing machine, originally made for orange packing boxes; complete less motor.

224-S—Knap labeling machine adapted to handle 12-oz. bottles.

225-S—York No. 631120 homogenizer or viscolizer, 3 cylinders, 1-inch suction and discharge; complete on frame with 10 h.p. motor.

226-S—Small Huntley pea cleaner.

227-S—50-gallon tinned copper kettle with stand, tilting type.

228-S—Blancher-washer, suitable for dehydration purposes.

SUBCOMMITTEE IS OPEN FOR GRADE LABELING EVIDENCE

House Group Organizes Its Procedure Under Halleck Resolution

A subcommittee of the House Committee on Interstate and Foreign Commerce held its first meeting on April 22 pursuant to the recently adopted Halleck resolution providing for an investigation of the Office of Price Administration, the War Production Board, and other government agencies, to determine whether plans have been or are being formulated that will require Federal grade labeling and the discarding of private brands.

The authority of the subcommittee permits investigations to determine whether such plans are necessary to the war effort and whether they represent an attempt to change our domestic economy along lines not authorized by Congress. In addition, the resolution directs an investigation of requirements curtailing the production or consumption of newsprint or book papers used by publications that have second class mailing privileges.

The subcommittee is composed of

Representatives Lyle H. Boren of Oklahoma, Chairman; Lindley Beckworth of Texas, Francis J. Myers of Pennsylvania, Richard F. Harless of Arizona, Charles A. Wolverton of New Jersey, Charles A. Halleck of Indiana, and Clarence J. Brown, of Ohio.

At their first meeting, the subcommittee members discussed organizational and procedural plans and decided that until May 3, while the House is in adjournment for the Easter period, they will confine their activity to preliminary investigations. The subcommittee has invited persons affected by standardization and simplification orders to place such problems before them if congressional help is desired.

During the week of May 3, informal conferences will be held with industry representatives. These conferences are planned to form the basis for subsequent public hearings. Should the investigations of the subcommittee and evidence presented to it call for Congressional action, the matter will be referred to the full Committee.

Burke Named OPA Counsel

Price Administrator Prentiss M. Brown announced April 19 the appointment of George J. Burke of Ann Arbor, Michigan, as general counsel of the Office of Price Administration. Mr. Burke succeeds David Ginzburg, who resigned recently.

A member of the Michigan bar since 1907, Mr. Burke was a county prosecuting attorney from 1911 to 1915 and served on a number of State and Federal agencies and commissions. He was a member of the Crime Commission of Michigan in 1933-35, Michigan State Director of the Federal Housing Administration in 1934, vice-chairman of the Detroit Regional Labor Board in 1934-35, chairman of the State Civil Service Commission in 1937-38, and a member of the advisory committee on rules of criminal procedure, the Supreme Court of the United States since 1941.

OPA CUTS POINT VALUES OF SOUPS, FROZEN FOODS

(Concluded from page 7619)

All of these point changes were prescribed in Amendment No. 3 to revised Supplement I, Ration Order 13.

The following letter, written by Harold B. Rowe, Director of the Food Rationing Division, explains the basis for this adjustment of the point values of processed foods:

"Point values on processed foods are adjusted on the basis of actual movements. Other factors were considered in the original establishment of point values, but actual movements compared with scheduled movements are the basis for point value adjustment. Primarily retail sales are the determining factor, but in addition, shipments of packers and wholesalers are considered. The even flow of each commodity through distribution channels is essential to the smooth operation of the rationing program."

"This fundamental theory was the basis for the recent adjustment in the point values of frozen fruits and vegetables. Reports showed that these items were not moving but were piling up in warehouses. This was due to the failure of consumers to use their processed food points until the end of the month, at which time they stocked up heavily on low cost, non-perishable commodities. The lower point values of frozen fruits and vegetables will be an incentive to consumers to purchase these goods throughout the month and thus to increase their total purchases of these items so that they will move in the volume desired."

Soya Production Increasing

Production capacity for edible soya products is expected to reach 1½ billion pounds annually by December, if the expansion program continues at its present rate, the War Food Administration said April 21.

While a large part of this production will be needed for direct war requirements, the quantity available for civilians will be many times as large as it has been in the past year.

Special committees in the Department of Agriculture are now developing a program for the utilization of soya products—both in kitchen recipes and in prepared foodstuffs.

Ruling on Wooden Containers

Buyers of wooden containers cannot systematically forego cash discounts in order to improve their competitive buying position, the Office of Price Administration announced April 20.

The practice of voluntarily foregoing cash discounts when it has been the buyer's practice in the past to take cash discounts is illegal under the lumber regulations, OPA stated, unless the buyer has valid reasons for changing his practices.

Participation in Can Salvage Program Is Urged

Canners have been asked to cooperate in the tin and steel salvage campaign by carrying on food cans an appropriate emblem or slogan urging consumers to save cans and turn them over to local salvage collectors. Canners themselves have the opportunity to participate directly in this campaign by making sure that all cans cut in their plants for sampling and control purposes, or because of spoilage, are turned in to the local collectors. Obviously, an industry that benefits from efforts to salvage scarce materials should do its full part in the campaign.

A shortage of cash, or inability to complete inspection, audit, clerical work, and payment within the usual 10-day cash discount period, is a valid cause for foregoing the cash discount. OPA stated that both buyer and seller are subject to the ruling since a buyer must not change his discount practices without proper reason and the seller cannot insist on selling on a net basis.